Se. No. 09/980,718 Docket No. FA 1038 US NA

This listing of claims will replace all prior versions, and listings, of claims in the application:

Listing of Claims:

Claims 1-30 (canceled)

Claim 31 (previously presented) A method of applying multilayers of lacquer to a substrate comprising:

- (a) applying to a substrate a base lacquer layer from a water-borne base lacquer comprising an aqueous binder dispersion of at least one polyurethane resin, said resin optionally being (meth)acrylated, wherein the aqueous binder dispersion comprises 0.5 to 5 wt% of at least one water-insoluble cellulose ester; and
- (b) applying a clear lacquer layer to the base lacquer layer.

Claim 32 (currently amended) The method of claim 31, wherein the aqueous binder dispersion is prepared by a process comprising the sequential steps of:

- (a) mixing at least one water-insoluble cellulose ester with at least one polyurethane resin, said resin optionally being (meth)acrylated, in the absence of a considerable amount of water; and
- (b) adding an effective amount of water to convert the mixture of step (a) converting the mixture into an aqueous dispersion phase.

Claim 33 (currently amended) The method of claim 31, wherein the aqueous binder dispersion is prepared by a process comprising the sequential steps of:

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- (a) mixing at least one water-insoluble cellulose ester with at least one polyurethane resin;
- (b) (meth)acrylating the at least one polyurethane resin; and
- (c) adding a considerable an effective amount of water to form an aqueous dispersion; and
- (d) converting the mixture into an aqueous phase.

Claim 34 (currently amended) The method of claim 31, wherein the aqueous binder dispersion is prepared by a process comprising the sequential steps of:

- (a) mixing at least one polyurethane resin in a non-aqueous phase with at least one water-insoluble cellulose ester;
- (b) converting the mixture into an aqueous <u>dispersed</u> phase <u>by</u> adding an effective amount of water; and
- (c) (meth)acrylating the at least one polyurethane resin.

Claim 35 (previously presented) A substrate coated by the method of claim 31.

Claim 36 (new) A method of applying multilayers of lacquer to a substrate comprising:

- (a) applying to a substrate a base lacquer layer from a water-borne base lacquer comprising an aqueous binder dispersion of at least one polyurethane resin, wherein the aqueous binder dispersion comprises 0.5 to 5 wt% of at least one waterinsoluble cellulose ester; and
- (b) applying a clear lacquer layer to the base lacquer layer;

wherein the aqueous binder dispersion is prepared by a process comprising the sequential steps of:

(1) mixing at least one water-insoluble cellulose ester with at least one polyurethane resin;

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- (2) (meth)acrylating the at least one polyurethane resin; and
- (3) adding an effective amount of water to form an aqueous dispersion.

Claim 37 (new) A method of applying multilayers of lacquer to a substrate comprising:

- (a) applying to a substrate a base lacquer layer from a water-borne base lacquer comprising an aqueous binder dispersion of at least one polyurethane resin, wherein the aqueous binder dispersion comprises 0.5 to 5 wt% of at least one water-insoluble cellulose ester; and
- (c) applying a clear lacquer layer to the base lacquer layer;

wherein the aqueous binder dispersion is prepared by a process comprising the sequential steps of:

- (1) mixing at least one polyurethane resin in a non-aqueous phase with at least one water-insoluble cellulose ester;
- (2) converting the mixture into an aqueous dispersed phase by adding an effective amount of water; and
- (3) (meth)acrylating the at least one polyurethane resin.

Claim 38 (new) An automobile or part thereof coated by the method of claim 31.